

State of Delaware Allowed Amounts and Utilization Trends for Admissions and Visits By Plan and Cohort



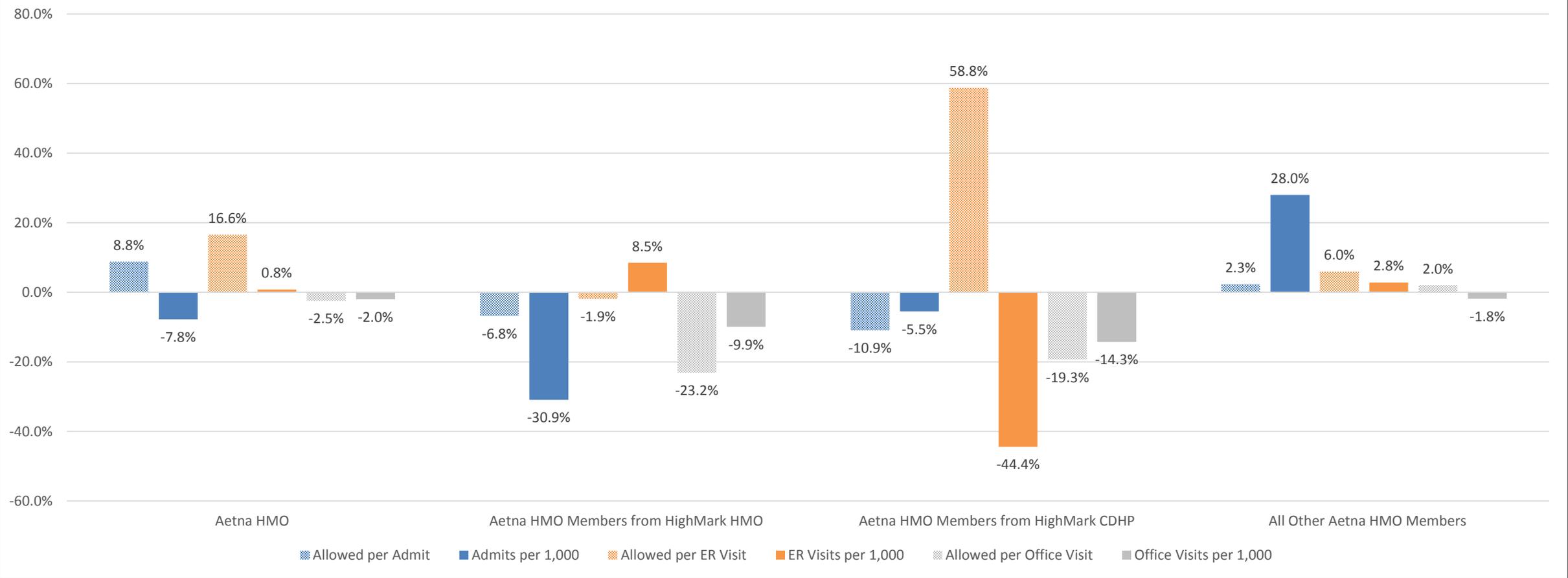
FY17 and FY18 (YTD)¹

June 2018

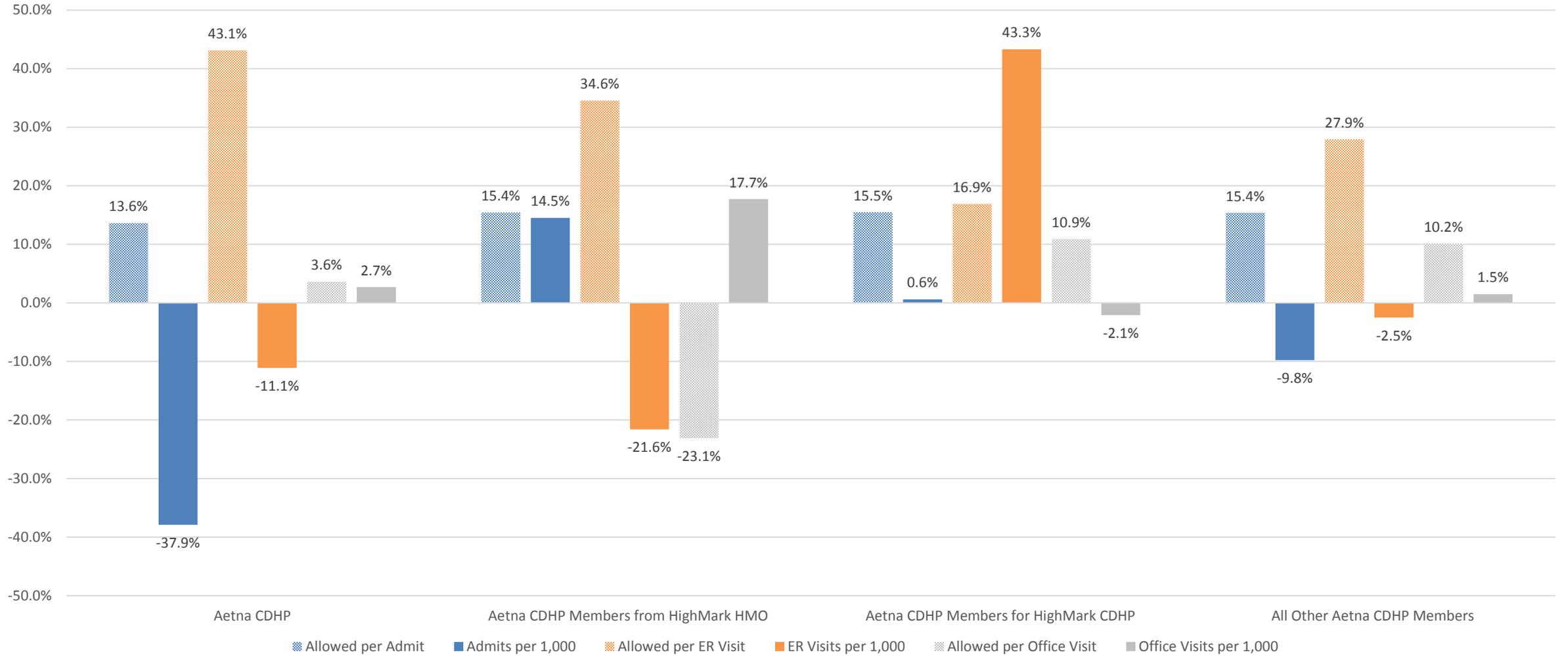


¹YTD: July 2017 – December 2017

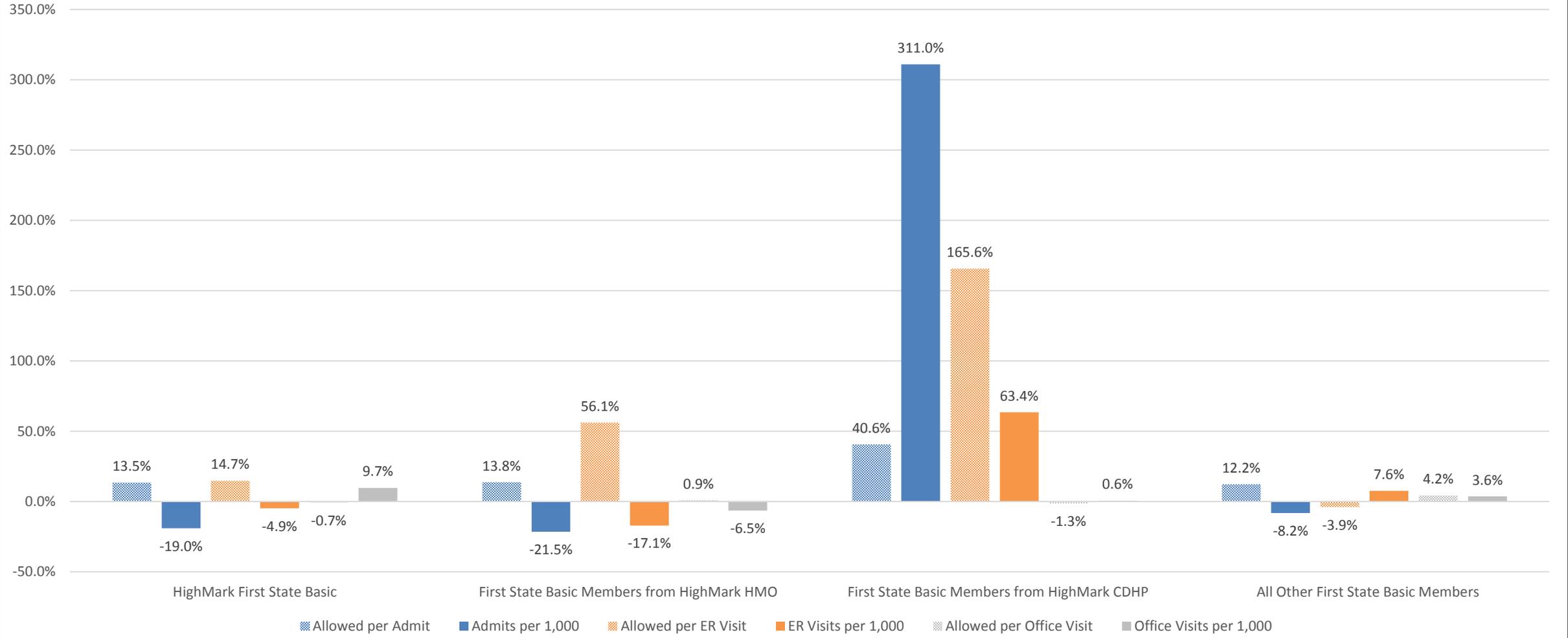
Aetna HMO Cost and Utilization Trends 1st Half of FY18 Compared to 1st Half of FY17



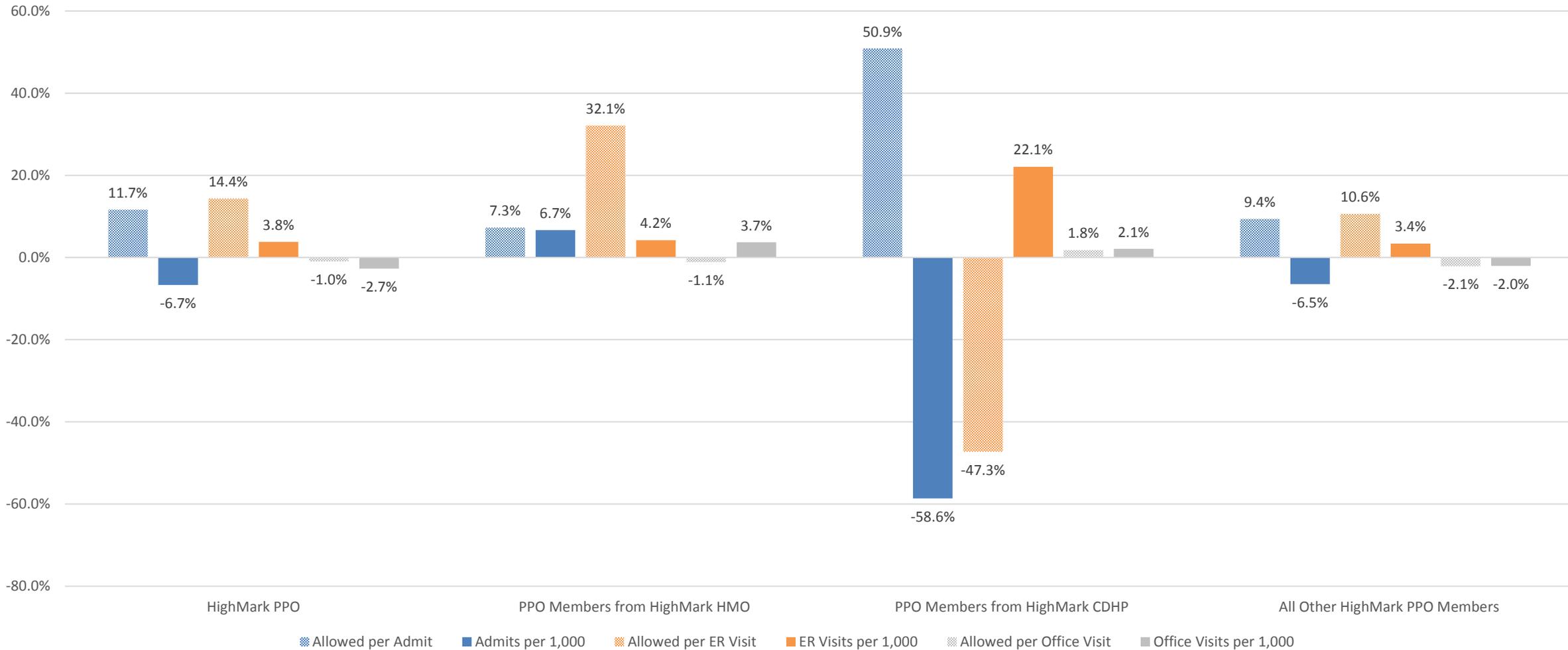
Aetna CDHP Cost and Utilization Trends 1st Half of FY18 Compared to 1st Half of FY17



HighMark First State Basic Cost and Utilization Trends 1st Half of FY18 Compared to 1st Half of FY17



HighMark PPO Cost and Utilization Trends 1st Half of FY18 Compared to 1st Half of FY17



Cost Reduction – Inpatient Hospital

FY18 Q1-Q2 compared to FY17 Q1-Q2

Inpatient Hospital	Utilization: Admits per 1,000 % Change	Cost/(Savings) Impact due to Utilization Change (\$m) ¹	Allowed Per Admit % Change	Overall Cost/ (Savings) Impact (\$m) ²
Aetna HMO		(\$6.1)		(\$7.9)
- From Highmark HMO	▼ 30.9%	(\$9.0)	▼ 6.8%	(\$11.1)
- From Highmark CDHP	▼ 5.5%	\$0.0	▼ 10.9%	\$0.0
- All Others	▲ 28.0%	\$2.9	▲ 2.3%	\$3.2
Aetna CDHP		(\$0.3)		\$0.4
- From Highmark HMO	▲ 14.5%	\$0.0	▲ 15.4%	\$0.1
- From Highmark CDHP	▲ 0.6%	\$0.0	▲ 15.5%	\$0.2
- All Others	▼ 9.8%	(\$0.3)	▲ 15.4%	\$0.1
HighMark FSB		(\$0.6)		\$0.2
- From Highmark HMO	▼ 21.5%	(\$0.4)	▲ 13.8%	(\$0.2)
- From Highmark CDHP	▲ 311.0%	\$0.2	▲ 40.6%	\$0.2
- All Others	▼ 8.2%	(\$0.4)	▲ 12.2%	\$0.2
HighMark PPO		(\$6.4)		\$4.1
- From Highmark HMO	▲ 6.7%	\$1.2	▲ 7.3%	\$2.4
- From Highmark CDHP	▼ 58.6%	(\$0.8)	▲ 50.9%	(\$0.4)
- All Others	▼ 6.5%	(\$6.8)	▲ 9.4%	\$2.1
All Plans (excluding Medicfill)	▼ 10.8%	(\$13.4)	▲ 5.4%	(\$3.2)

- GHIP inpatient admits per 1,000 decreased by 10.8%, which translates to \$13.4m cost reduction based on FY18 average allowed cost per admit
- Over the same period, allowed cost per admit increased by 5.4%, partially offsetting the cost reduction due to utilization change
- Overall, inpatient allowed costs decreased by \$3.2m (\$3 PMPM) for the members enrolled in FY18
- Inpatient costs decreased by \$11.1m for members who migrated from Highmark HMO to Aetna HMO (\$9m attributable to the decrease in utilization)

¹ Estimated impact based on the change in admits per 1,000 multiplied by the FY18 average allowed cost per admit

² Estimated impact based on the change in admits per 1,000 and the change in average allowed cost per admit, multiplied by FY18 member counts. Does not reflect adjustments for mix/severity of services between time periods.

Population – Includes active employees, early retirees (non-Medicare) and their spouses and dependents.

Time Period Comparisons

Visits per 1000 and admissions per 1000 are used for comparison of health services utilization. For utilization and allowed cost per service, the first six months of FY17 (July 2016 – December 2016) is compared to the first six months of FY18 (July 2017 – December 2017).